

January 31, 2012

To whom it may concern:

As requested, we are providing to you the following:

1. Summary of Federal tax filings for the years 2008, 2009 and 2010;
2. Explanation and reconciliation of charitable contributions for those years;
3. Copies of full tax filings made for those years; and
4. Investment Portfolio Changes.

Each of these will be discussed in turn.

Summary of Federal tax filings for the years 2008, 2009 and 2010

The following table identifies Gross income (Line 22 of the Federal tax form 1040), Tax liability, Line 61 in year 2008 and Line 60 in years 2009 and 2010) and the calculated tax liability for each year.

Tax Return Information for 2008

Gross Income (line 22):	\$1,500,693
Tax Liability (line 61):	\$344,061
Effective Tax Rate:	22.927%

Tax Return Information for 2009

Gross Income (line 22):	\$1,283,308
Tax Liability (line 60):	\$310,576
Effective Tax Rate:	24.2012%

Tax Return Information for 2010

Gross Income (line 22):	\$443,194
Tax Liability (line 60):	\$95,856
Effective Tax Rate:	21.6285%

Charitable contributions for those years

Several years ago Mr. and Mrs. Leppert established the Leppert Family Charitable Foundation (Foundation) to make a large portion of their annual charitable contributions. The Leppert's have typically made tax deductible charitable donations into the Foundation and then directed disbursement of funds from the Foundation to be distributed to charities. Additionally, each year, the Leppert's also make charitable donations to several charitable organizations directly from their bank account.

A break out of charitable gifts made into the Foundation, from the Foundation to charitable organizations, and direct gifts made to charities for each requested tax year is outlined below.

LEPPERT CHARITABLE CONTRIBUTIONS

Tax Year 2008

Into The Leppert Family Charitable Foundation: \$150,000.00

From the Foundation to Charities:	\$86,000.00
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01/14/08	Special Care & Career Services	\$500.00
06/06/08	Claremont McKenna College	\$40,000.00
06/06/08	Boy Scouts of America	\$1,500.00
06/16/08	Paul Quinn College	\$5,000.00
06/16/08	West Dallas Initiative	\$10,000.00
07/14/08	UNCF	\$1,000.00
07/14/08	New Mount Zion Baptist Church	\$1,000.00
10/17/08	White House Fellows Foundation	\$2,000.00
12/01/08	West Dallas Initiative	\$10,000.00
12/10/08	St. Philips School and Comm. Center	\$15,000.00

Direct:	\$2,550.00
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Bent Tree Bible Church	\$100.00
Circle Ten Council, Boy Scouts	\$50.00
Mass, Inc.	\$1,000.00
Southern Methodists University	\$1,400.00

Total:	\$88,550.00
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Tax Year 2009

From the Foundation to Charities: \$87,500.00

03/13/09	De Molay International	\$200.00
03/13/09	Boys & Girls Clubs of Greater Dallas	\$200.00
03/16/09	African American Museum in Dallas	\$5,000.00
03/16/09	Episcopal School of Dallas	\$5,000.00
03/19/09	Circle Ten Council	\$1,500.00
03/26/09	UNCF	\$1,000.00
04/08/09	Elite News	\$1,000.00
04/13/09	All Tri	\$500.00
05/14/09	Cambridge School of Dallas	\$7,500.00
06/12/09	Visiting Nurse Association	\$1,000.00
06/17/09	West Dallas Community School	\$100.00
06/25/09	Claremont McKenna College	\$50,000.00
07/06/09	Baylor Health Care Foundation	\$1,000.00
10/09/09	Friends of Fair Park	\$500.00
10/09/09	Metro Dallas Homeless Alliance	\$500.00
10/09/09	Circle Ten Council	\$500.00
11/04/09	UNCF	\$5,000.00
11/21/09	Cotillion Idlewild Service Corporation	\$1,500.00
12/29/09	Church of the Living God	\$500.00
12/30/09	UNCF	\$5,000.00

Direct: \$117,500.00

Mayor's Chesapeake Energy – Dallas Foundation	\$100,000.00
West Dallas Community School	\$500.00
Circle Ten Council Boy Scouts	\$500.00
Dallas Baptist University	\$10,000.00
Passport to Health	\$5,000.00
First Baptist Dallas	\$1,400.00
Prestonwood Baptist Church	\$100.00

Total \$205,000.00

Tax Year 2010

From the Foundation to Charities: \$235,400.00

03/29/10	Rainbow Days	\$5,000.00
04/29/10	First Baptist Church of Dallas	\$100,000.00
06/17/10	Baylor Health Care System Found.	\$1,000.00
06/29/10	Claremont McKenna College	\$25,000.00
08/26/10	Mayor's Ches. Egy Dallas Foundation	\$50,000.00
09/21/10	DOT	\$1,000.00
10/11/10	Daughters of World War II	\$5,000.00
11/04/10	Boy Scouts of America	\$2,000.00
11/22/10	Bnai Zion Foundation	\$800.00
11/22/10	UNCF	\$2,500.00
12/03/10	Museum of Nature & Science	\$1,000.00
12/13/10	Assist the Officer Foundation	\$1,000.00
12/20/10	Greater Dallas Justice Revival	\$500.00
01/14/10	Texas Patriotic Education Foundation	\$1,000.00
01/27/10	Cotillion Idlewild Service Corporation	\$1,500.00
02/11/10	First Baptist Church of Dallas	\$10,000.00
02/17/10	West Dallas Community School	\$25,000.00
02/17/10	SPCA of Texas	\$100.00
03/17/10	St. Philips School	\$3,000.00

Direct: \$7,500.00

Education is Freedom \$7,500.00

Total \$242,900.00

Copies of full tax filings made for those years

The Federal tax filings for the Lepperts for the years of 2008, 2009 and 2010 are attached.

Investment Portfolio Changes

Prior to Mr. Leppert being elected to the office of Mayor of Dallas Texas, he was invested in individual stock and bond accounts, several mutual funds, and limited partnerships. As a result of Mr. Leppert being elected to the office of Mayor of Dallas Texas, his investment portfolio was changed. All of the accounts that held individual stock or bond positions were liquidated. Even though Mr. Leppert did not have any ability to direct which stocks or bonds were purchased or sold, he decided to liquidate the accounts to ensure no conflict of interest was possible while in office. He maintains a few investment funds that are in the form of a Limited Partnerships (that cannot be liquidated), cash, and a few mutual funds that are held by family members. However, Mr. Leppert has no ability to direct investments within these funds.

Sincerely,

A handwritten signature in blue ink, appearing to read "Robert C. Shier, Jr.", is written over the typed name and title.

Robert C. Shier, Jr.
President
MullinTBG Advisors

RCS:pas

/attachments